

Public Hearing – February 21, 2023  
Energy and Technology Committee

Testimony Submitted by Commissioner Katie S. Dykes

**House Bill No. [6724](#) – An Act Concerning Utility Customer Payment Plans and Extending the Shutoff Moratorium**

Thank you for the opportunity to present testimony regarding House Bill No. 6724 – An Act Concerning Utility Customer Payment Plans and Extending the Shutoff Moratorium. The Department of Energy and Environmental Protection (DEEP) offers this testimony today in **general support** of the goals of the bill to protect ratepayers. DEEP's testimony specifically addresses the bill's proposals to set a reasonable period of time for amortization agreements for delinquent gas or electric customers and to establish a ratepayer-funded service to assist gas and electric company customers with negotiating such amortization agreements.

The bill directs the Public Utilities Regulatory Authority (PURA) in section 9 to amend its current regulations governing amortization agreements upon a finding of a reasonable length for such agreements, which may be a period of not more than 36 months, unless otherwise warranted. DEEP agrees that it is important to provide customers and the gas and electric utilities with parameters for reasonable lengths of amortization agreements. However, DEEP suggests that the Committee offer additional clarity on the goal of this section, specifically: whether it is the Committee's intent to establish a floor on the reasonable length of the agreements, with PURA discretion to go further, or rather to allow PURA to determine what a reasonable length would be, and ultimately codify it in the regulations.

In past PURA dockets, DEEP has advocated for reasonable lengths of time to allow for affordable monthly payments for customers with past due balances. This was the case in PURA's establishment of the COVID-19 Payment Plan, where DEEP urged PURA to consider repayment periods of longer than 24 months,<sup>1</sup> and also when DEEP advocated to maintain 24-month flexible payment arrangements offered by the utilities, which were at risk of being shortened.<sup>2</sup> DEEP recommends that an arbitrary duration should not be imposed: a utility should be able to adequately consider each customer's financial situation when determining the length of the agreement. A reasonable amortization agreement should also be flexible so that a customer is not

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<sup>1</sup> [DEEP Motion](#), PURA Docket No. 20-03-15, *Emergency Petition Of William Tong, Attorney General For The State Of Connecticut For A Proceeding To Establish A State Of Emergency Utility Shut-Off Moratorium* and [DEEP Objection](#), *Id.*

<sup>2</sup> [DEEP Written Comments](#), PURA Docket No. 21-07-01, *Application of the Connecticut Light and Power Company and Yankee Gas Services Company, Each Individually D/B/A Eversource Energy, The United Illuminating Company, Connecticut Natural Gas Corporation, and the Southern Connecticut Gas Company for Approval of Arrearage Forgiveness Program 2021-2022.*

locked into a payment that was once affordable but becomes unaffordable due to a change in financial circumstances.

Most importantly, the best policy is one that would allow customers to successfully pay their bills on a consistent basis and that would avoid the accrual of arrearages for unaffordable payment amounts. Customers should be set up for success. Unmanageable levels of arrearages can compromise future rate structures, ultimately increasing costs for all ratepayers.

DEEP supports exploring further the idea, set out in section 10 of the proposed legislation, of establishing a fund for organizations to provide customers with assistance with their bill and arrearage payments and negotiating a reasonable amortization agreement. DEEP is interested in learning more about how such a program would work; if other states offer such programs; and, if so, what lessons can be learned to provide guidance for a program in Connecticut. DEEP also is interested in hearing about any gaps in the current system that necessitate such a program. In addition to helping customers enroll in utility-sponsored bill payment programs, such a program could help customers navigate application processes for the many energy assistance programs that the state offers.

We welcome the opportunity to work with the committee to further refine the bill to ensure that it accomplishes the ratepayer protections that the Committee is seeking.

Thank you for the opportunity to present testimony on this proposal. Should you have any questions, please do not hesitate to contact Harrison Nantz at [Harrison.Nantz@ct.gov](mailto:Harrison.Nantz@ct.gov).